



**New Canaan Community Foundation, Inc.  
Donor Advised Fund Agreement**



This Donor Advised Fund Agreement is made between **name and names** (each a “Donor” and together the “Donors”), and The New Canaan Community Foundation, Inc., a Connecticut nonstock corporation (the “Foundation”), as of this date, **date, year**.

**1. Purpose**

The purpose of this agreement is to establish the parties’ intent to establish a permanent non-endowed donor advised fund at the Foundation, subject to the terms and conditions contained in this agreement. The stated areas of interest for grant-making are **x, x, and x**. The Fund will be called the **Fund Name**.

**2. Assets and Future Gifts**

The initial transfer of funds to the New Canaan Community Foundation is **\$X**. Additional contributions to the Fund may be made at any time, in any amount, and are subject to approval by the Foundation Board of Directors (the “Board”) and to the terms of this agreement.

The Donors understand and agree that: (i) all contributions to the Fund are irrevocable gifts to the Foundation; (ii) all such gifts shall be used solely for the Fund’s charitable purposes subject to the terms of this agreement; and (iii) no contribution, or any part of the Fund, may be refunded or distributed to the Donors.

**3. Variance Power**

As stated in the Foundation’s certificate of incorporation, the Board has the power to modify any restriction or condition on distributions from the Fund for any specified charitable purposes or to specified organizations if in the sole judgment of the Board (without the approval of any trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the legitimate charitable needs of the community served by the Foundation (the “variance power”).

The Foundation shall promptly notify the fund advisors of any decision made to exercise the variance power. Notification of the exercise of power shall be delivered to the Donors in writing of (1) the Board’s intent to exercise such power and (2) the manner in which Foundation proposes to vary the purposes, uses or methods of administration of the Fund.



#### **4. Dissolution of the Foundation.**

If the Foundation ceases to be a qualified charitable organization or if the Foundation dissolves, the assets of the Fund shall, after payment or making provision for payment of any liabilities properly chargeable to the Fund, be distributed to **organization**. If this organization is unwilling or unable to accept such assets, or is no longer an organization described in Section 501(c)(3) of the Internal Revenue Code, all remaining assets in the Fund shall be distributed in such manner and to such organization or organizations in the New Canaan community as satisfies the requirements of a qualified charitable organization and serves the stated interest areas of **X, X, and X**.

#### **5. Distributions**

As a permanent non-endowed fund, the Fund may make distributions of the balance in any amount, and shall not be subject to the spending policy followed by the Foundation. However for donors wishing to follow the spending policy of the Foundation as a guideline, our policy is to distribute up to 4.5% of the balance of the Fund (as of 12/31 of the previous year) annually for charitable purposes to organizations described in Section 501(c)(3) of the Internal Revenue Code.

No portion of the Fund may be used to pay compensation, reimburse expenses or provide any loan or other economic benefit to the Donors, the Fund Advisors or any party related to the foregoing. Fund Advisors should make grant recommendations in amounts of \$500 or more.

No distributions shall be made from the Fund for the following purposes:

- To discharge or satisfy a charitable pledge or other obligation of any person;
- To or for the benefit of any individual;
- For the personal economic benefit of the Donors, Fund Advisors, or parties related to the foregoing, including but not limited to memberships, tickets, meals, preferred parking or seating, discounted merchandise or other preferential treatment;
- For political contributions or legislative activities;
- To private foundations;
- To disqualified supporting organizations (certain Type III supporting organizations or supporting organizations controlled by the Donors, Fund Advisors or parties related to the foregoing); or
- To secure any benefit or other consideration from the recipient to any person or organization.

#### **6. Fund Advisors**

Fund Advisors should make grant recommendations in amounts of \$500 or more. While the Donors are living and legally competent, the Donors may jointly agree to appoint or remove one or more Fund Advisors. In the event that one Donor dies or is legally incompetent, the remaining Donor may continue to appoint or remove Fund Advisors.



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Notice of any removal or appointment with respect to Fund Advisors shall be delivered by the Donors or the remaining Donor in writing to the Foundation. The Fund shall cease to be a donor advised fund when the Donors, and all Fund Advisors appointed by the Donors, have died, resigned, or become unable to act, or failed to reply to the Foundation's inquiries regarding Fund activity for a period of two or more years.

### **7. Investments**

All assets of the Fund will be invested and comingled with other pooled assets of the Foundation. Full authority for the management of the Fund rests with the Foundation and shall occur subject to current Foundation investment guidelines. These guidelines are available upon request.

### **8. Fees**

The Donors understand and agree that the Foundation will assess the Fund with a reasonable administration fee determined by the Board on an annual basis. As of the date of this agreement, the annual administration fee is 1% of the Fund's assets. The Fund will additionally be charged, on an equitable basis, its share of any investment management fees incurred by the Foundation for the services of its investment managers. The Donors have received a current Foundation fee schedule and are aware of the fees associated with investment management.

### **9. Fundraising**

The Donors understand and agree that no individual, organization, or group may sponsor, promote or otherwise engage in any type of fundraising event or commercial activity for the benefit of the Fund without the express written consent of the Foundation.

### **10. Reports**

The Foundation will provide quarterly reports to the Fund Advisors on record which will include details on Fund investment income/loss, donations, grants and fees.

### **11. General**

I/we understand and recognize the policies and practices of the Foundation, including:

- That the Foundation makes distributions only to tax-exempt not-for-profit organizations as described in Internal Revenue Code Section 501(c)(3) and exclusive of private foundations.
- That the Fund will, at all times, be governed according to the general policies of the Foundation, which are subject to change from time to time in the sole discretion of the Board.
- I/we have received, read and understand the Foundation's Fund Procedures, Investment Guidelines, and current Fee Schedules.



NCCF Donor Advised Fund Agreement

IN WITNESS WHEREOF, the parties have executed this Donor Advised Fund Agreement as of **date, year**:

**DONORS**

**NEW CANAAN COMMUNITY  
FOUNDATION, INC.**

\_\_\_\_\_  
**Name**

By: \_\_\_\_\_  
Leo Karl, III  
President of the Board of Directors

\_\_\_\_\_  
**Name**

Attachments:

Attachment A: Fund Advisors

Attachment B: Successor Advisors



NCCF Donor Advised Fund Agreement

**Attachment A**

**Fund Advisors**

1. Name  
Address  
City, State Zip



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## **Attachment B**

### **Co-Successor Advisors**

- Name  
Address  
City, State Zip